

<p>BOARD OF ASSESSMENT APPEALS, STATE OF COLORADO 1313 Sherman Street, Room 315 Denver, Colorado 80203</p> <hr/> <p>Petitioner:</p> <p>WALSH HOLDINGS LLC,</p> <p>v.</p> <p>Respondent:</p> <p>EL PASO COUNTY BOARD OF EQUALIZATION.</p>	<p>Docket No.: 57722</p>
<p>ORDER</p>	

THIS MATTER was heard by the Board of Assessment Appeals on March 26, 2012, Diane M. DeVries and Lyle D. Hansen presiding. Petitioner was represented by Robert B. Hoff, Agent. Respondent was represented by George Monsson, Esq. Petitioner is protesting the 2011 actual value of the subject property.

Subject property is described as follows:

**16055 Old Forest Point, Unit 200, Monument, Colorado
El Paso County Schedule No. 7125201013**

The subject is a 2,226 square foot office condominium unit located in a building containing a total of 11 office/medical condominium units. The structure is a two and one-half story masonry construction and was built in 2008. The unit was originally constructed for office use but was subsequently modified and designed to accommodate a dental tenant. Additional unit improvements added include upgraded heating-ventilation-air/conditioning system, additional plumbing and electrical systems.

Petitioner presented the following indicators of value:

Market:	\$290,500.00
Cost:	\$.00
Income:	\$.00

Petitioner is requesting an actual value of \$290,500.00 for the subject property for tax year 2011. Respondent assigned a value of \$441,800.00 for the subject property for tax year 2011 but is recommending a reduction to \$414,400.00.

Petitioner's representative, Mr. Robert Hoff, presented three comparable sales ranging in sale price from \$415,000.00 to \$996,100.00 and in size from 2,637 to 4,335 square feet. After adjustments were made, the sales ranged from \$398,400.00 to \$991,158.00.

Petitioner presented no cost approach.

Petitioner presented no income approach.

Mr. Hoff testified that the subject is located in Monument, Colorado and was purchased in February of 2010 for \$494,172.00. He testified there is no market for office condominiums in Monument where he cited that only three sales had occurred in a two-year period. Mr. Hoff testified that the real market for office condominiums is located in Colorado Springs. He accomplished downward adjustments for time of sale and upward adjustments for age to his three comparable sales. Mr. Hoff testified that he paid too much for the subject in 2010. He testified that he did not engage the services of a Colorado Certified real estate appraiser to provide a supportable value estimate of the subject.

Respondent presented the following indicators of value:

Market:	\$460,604.00
Cost:	\$371,169.00
Income:	\$368,224.00

Respondent's appraiser, Ms. Tina Flutcher, a Colorado Registered Appraiser with the El Paso County Assessor's Office, presented four comparable sales ranging in sale price from \$365,000.00 to \$618,940.00 and in size from 1,654 to 3,589 square feet. After adjustments were made, the sales ranged from \$446,313.00 to \$484,289.00.

Ms. Flutcher used a state-approved cost estimating service to derive a market-adjusted cost value for the subject property of \$371,169.00.

Ms. Flutcher used the income approach to derive a value of \$368,224.00 for the subject property. She concluded a rental rate of \$21.27 per square foot; a vacancy rate of 15.0%; an expense ratio of 15.0%; and applied a capitalization rate of 9.29% to derive a value indication of \$368,224.00.

Respondent assigned an actual value of \$441,800.00 to the subject property for tax year 2011 but is recommending a reduction to \$414,400.00.

Sufficient probative evidence and testimony was presented to prove that the subject property should be reduced to Respondent's recommended value.

Ms. Flutcher gave minimal weight to the cost approach and equal weight to the market approach and income approach to derive her value estimate for the subject. She testified that the office condominium building is located in a newer commercial area surrounded by single-family residential subdivisions. Ms. Flutcher testified that medical condominium units command a higher value over an office condominium unit because of the improvement upgrades that exist in the medical units.

Ms. Flutcher testified that she adjusted each comparable sale downward to derive a time-adjusted sale price; that she accomplished adjustments for differences in unit square footage and year of construction. In her income approach, she testified that the rental rate was based upon two competing condominium units and that the conclusions for vacancy rate, expense ratio and capitalization rate were market supported.

Ms. Flutcher testified that equal weight was given to the value conclusions from the market and income approaches and correlated the two values to \$414,400.00.

The Board agreed with Ms. Flutcher in placing equal reliability upon the market approach and the income approach. The Board placed greater reliability upon Ms. Flutcher's market approach and agreed with her adjustments to the comparable sales. The Board agreed with her conclusions for rental rate, vacancy, expenses and capitalization rate in deriving a value indication from the income approach.

The Board concludes that the 2011 actual value of the subject property should be reduced to \$414,400.00.

ORDER:

Respondent is ordered to reduce the 2011 actual value of the subject property to \$414,400.00.

The El Paso County Assessor is directed to change his/her records accordingly.

APPEAL:

If the decision of the Board is against Petitioner, Petitioner may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S. (commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

If the decision of the Board is against Respondent, Respondent, upon the recommendation of the Board that it either is a matter of statewide concern or has resulted in a significant decrease in the total valuation of the respondent county, may petition the Court of Appeals for judicial review according to the Colorado appellate rules and the provisions of Section 24-4-106(11), C.R.S.

(commenced by the filing of a notice of appeal with the Court of Appeals within forty-five days after the date of the service of the final order entered).

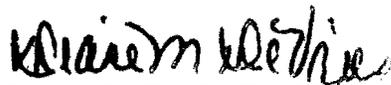
In addition, if the decision of the Board is against Respondent, Respondent may petition the Court of Appeals for judicial review of alleged procedural errors or errors of law within thirty days of such decision when Respondent alleges procedural errors or errors of law by the Board.

If the Board does not recommend its decision to be a matter of statewide concern or to have resulted in a significant decrease in the total valuation of the respondent county, Respondent may petition the Court of Appeals for judicial review of such questions within thirty days of such decision.

Section 39-8-108(2), C.R.S.

DATED and MAILED this 2nd day of April, 2012.

BOARD OF ASSESSMENT APPEALS

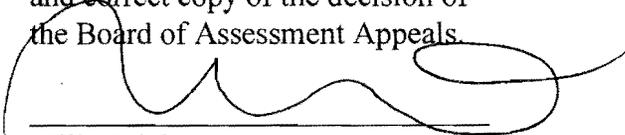


Diane M. DeVries



Lyle D. Hansen

I hereby certify that this is a true
and correct copy of the decision of
the Board of Assessment Appeals.



Milla Crichton

